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In The

Supreme Court of the United States

OCTOBER TERM, 1966

No. _____

COE MANUFACTURING COMPANY,
Petitioner,

v.

JEDDELOH BROTHERS SWEED MILLS, INC.,
OTTO JEDDELOH and FRED JEDDELOH,
Respondents.

BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI

Restatement of the Case

Petitioner filed suit on March 20, 1958 for infringement of Parker patent 2,649,182. On May 14, 1958, respondents answered denying infringement and alleging invalidity of the patent for various reasons, including lack of invention over certain prior art patents. On October 23, 1958, unknown to respondents, petitioner filed in the United States Patent Office application for reissue of the Parker patent, stating *inter alia* that certain claims of the Parker patent were invalid in view of Streeter patent 1,809,456 (Vol. IV, p. 446), which patent had been cited by respondents in their answer.

On April 21, 1959, the Parker patent was reissued as Re. 24,638, and on May 1, 1959, petitioner filed a supplemental complaint substituting the reissued patent for the original patent. Petitioner amended the specification and certain claims of the reissue patent so that as a matter of language they read squarely on respondents' machine. Ultimately, none of the amended or new claims were asserted against respondents and the district court permitted petitioner in effect to disavow the reissue patent. The district court confined its attention strictly to the specification as it was in the original Parker patent, and interpreted claims 3, 5, 7, and 17 which were the same in both patents, in the light of the original specification (Vol. III, pp. 228, 275, 276).

In the district court's first opinion (Pet. App. 69) it found no infringement of the claims and did not pass on validity because it believed that noninfringement was very clear. The court of appeals remanded for additional findings, particularly on validity, because it thought infringement of one of the claims (17) was a close question (Pet. App. 65). Reargument of the questions of validity and infringement was held before the district court and after having had the case under advisement for two and one-half years, the district judge "experienced much difficulty in arriving at conclusions with which I was satisfied". (Pet. App. 55). Nevertheless, he held the patent valid and claim 17 infringed. The court of appeals reversed holding the claims invalid on the grounds of obviousness without passing on the sev-

eral other grounds of invalidity and noninfringement urged by respondents.

The patent in suit is not, as repeatedly stated by petitioner, limited to a machine for feeding sheets of veneer. While the embodiments are described with respect to feeding veneer, the specification expressly states that the invention is intended to cover the feeding of any sheet material similar to veneer, and that the invention is not limited to the embodiments shown, but covers all modifications within the knowledge of those skilled in the art (Vol. IV, p. 343, col. 10, lines 10-22). Furthermore, and most importantly, none of the claims in issue, claims 3, 5, 7, and 17, are limited to veneer but all call broadly for "materials in sheet form". Other claims not in issue expressly call for "sheet veneer material".

No Substantial Question of Law is Presented Which will Govern the Disposition of Other Cases

This is an ordinary patent infringement suit between private litigants in which the court of appeals correctly determined on one of several possible grounds that the four claims in issue were invalid. The decision of the court of appeals scrupulously followed the most recent patent decision of this Court—*Graham et al* v. *John Deere Co. et al*, 1966, 383 U.S. 1, 15 L.ed. 2d 545—which completely disposes of the matters that petitioner seeks to relitigate before this Court. In effect, petitioner's argument is the same as was urged in this Court in

Graham, that Section 103 of the 1952 Patent Act established a different standard of patentability from that enunciated in the Court's prior decisions. The Court rejected that argument, stating that the "standard has remained invariable" over the years while technology has advanced rapidly, and that a patentee is charged with such knowledge (383 U.S. at 19).

The court of appeals not only correctly applied the standard of invention required by this Court, but resolved every doubtful question in favor of petitioner, as is clear from the following (Pet. App. 42-43):

> "With these guiding principles in mind, we turn to the question of whether the Parker reissue patent, describing an apparatus for feeding green veneer into a multiple-deck veneer dryer, is invalid for nonobviousness. For the purpose of discussing that question we will assume, as the trial court held, that the Parker reissue patent is for a combination of old elements, that the combination shown is new as compared to other combinations disclosed by the prior art, and that the Parker patent is primarily an apparatus for handling sheets of veneer."

(Pet. App. 48-49):

> "As indicated in the above-quoted excerpt from the *Graham* opinion, the differences between the prior art and the claims at issue, evidencing the novelty of the subject matter of the patent, must be appraised in order to resolve the question of obviousness. *As stated above, for the purpose of reaching the question of obviousness, we have assumed that the Parker combination of old elements is novel as compared to combinations disclosed by the prior art. But in dealing with the question of obviousness,*

it is important to note what is novel, and what is not novel, about the Parker combination." (emphasis added.)

The above-italicized sentence from the court's opinion introduced the portions of the court's opinion quoted on page 7 of the Petition but was omitted by petitioner. That quotation and the following portions of the court's opinion, which were also omitted by petitioner, contradict petitioner's argument that the court of appeals applied "special" or "additional" tests not sanctioned by this Court. The court of appeals said (Pet. App. 49-50):

> "The Streeter, Campbell and Cross patents, as well as the Parker patent, describe a method of transferring sheet material from one place to another by automatic means. Streeter, as well as Parker, provides a way to vary vertical positioning of the outfeed end to accommodate variations in height at the destination. Cross and Campbell, as well as Parker, provide a way to vary vertical positioning of the infeed end to accommodate variations in height at the source. Streeter, as well as claims 3, 5 and 7 of Parker, provides a conveyor-type table between the infeed and outfeed ends of the apparatus. The use of pinch rolls is shown in Cross and Campbell as well as Parker. ***
>
> "The only sense in which the Parker combination is novel is that, in order to handle moist veneer mechanically, it was necessary to have a different range and positioning of old components than is to be found in such prior combinations as the Streeter, Campbell and Cross patents. In our opinion, these elements of novelty, and the means of achieving them, would have been obvious to a person of ordi-

nary skill in the art of handling sheet materials by mechanical means.

> "Such a person, we think, would have been able to devise variations of this kind in accommodating old components to the handling of moist veneer."

The court clearly considered whether the Parker combination as a whole was or was not obvious in view of the prior art, differences between it and the invention, and the level of ordinary skill in the art.

The Parker Patent is Invalid Under any Test of Patentability Sanctioned by this Court over the Years

The court of appeals *in addition* examined the Parker patent to determine what was novel and not novel in the Parker combination in view of the test required by this Court in *Hotchkiss et al* v. *Greenwood et al*, 1850, 11 How. 248, 13 L.ed. 683 and *Great A. & P. Tea Co.* v. *Supermarket Equipment Corp.*, 1950, 340 U.S. 147, 95 L.ed. 162, which cases are completely ignored by petitioner. Those cases are repeatedly referred to in *Graham* as forming a basis for that decision.

The court of appeals correctly understood that the prior art patents to Cross, Campbell and Streeter (Vol. IV, pp 354, 396, 446) showed every element called for in claims 3, 5, 7, and 17, with such elements functioning in the same manner as Parker to produce the same result. This has not been and cannot be denied.

Petitioner's sole argument of patentability is that the Parker claims are for a machine for feeding *veneer*,

rather than some other sheet material such as wallboard, paper, and sheets of metal. In this connection, it should be noted that another prior art feeder patent, Moore (Vol. IV, p. 480), which patent is also owned by petitioner, expressly equates wallboard and veneer as similar sheet material (Vol. IV, p. 486, col. 1, lines 1-7). The court of appeals assumed that claims 3, 5, 7, and 17 contained the veneer limitation and then the court held that it would have been obvious to one skilled in the art to use the old combination of mechanical elements to feed veneer, rather than some other sheet material.

The present emphasis by petitioner on the Parker patent being limited to a veneer-feeding machine, rather than to a machine for feeding some other sheet material such as shown in the prior art patents, was never advanced in the Patent Office during prosecution of the original or reissue Parker patents (file wrapper histories, plaintiff's exhibits 3 and 4). Validity of a patent should not be upheld on the basis of an "afterthought" which, if correct, could and should have been advanced in the Patent Office: *Graham* v. *John Deere Co.*, 383 U.S. at 25; *Bishman Mfg. Co.* v. *Stewart-Warner Corp.*, 7 Cir., decided May 3, 1967, — F.2d —, 153 USPQ 496, 498.

Even if the claims in issue were limited to veneer, petitioner cannot rely on the use to which a machine is put to impart patentability. It is well established that there can be no patentable invention in a new use of an old machine or product, or processing of material in an old machine. *Brown* v. *Piper*, 1875, 91 U.S. 37, 23 L.ed.

200; *Powers-Kennedy Contracting Corp.* v. *Concrete Mixing and Conveying Co.*, 1930, 282 U.S. 175, 75 L.ed. 278.

The Court of Appeals Determined the Question of Obviousness Correctly

The court of appeals *accepted* the correctness of the factual findings made by the district court with respect to the scope and content of the prior art, differences between prior art and claims at issue, and the level of ordinary skill in the pertinent art. The court said (Pet. App. 52):

> "In reaching the conclusions expressed above we have endeavored to apply, with the required strictness, the principles announced by the Supreme Court in the *Graham* decision referred to above. Taking into account the scope and content of the prior art of mechanically moving sheet materials, the differences between that prior art and the apparatus described in the Parker claims in issue, and the level of ordinary skill in that art, all as revealed or implicit in the undisputed facts summarized above, we hold that the subject matter of claims 3, 5, 7 and 17 of the Parker patent is plainly obvious within the meaning of section 103, and that those claims are therefore invalid."

This Court held in *Graham*, following *A. & P.*, that whether or not these facts meet the constitutional standard of patentability is a question that must be independently determined by a court of appeals and that is precisely what the Ninth Circuit did.

If petitioner were correct in its position that a court of appeals is bound under Rule 52(a) of the Federal Rules of Civil Procedure by a district court's finding that an invention is nonobvious, then this Court could not have reversed the Fifth Circuit in *Graham* and the Eighth Circuit in *Cook* without mentioning that it was doing so under the "clearly erroneous" rule. Significantly, Rule 52(a) is nowhere mentioned by this Court in those two cases.

Regardless of what some other courts of appeals may have said on the subject prior to *Graham*, the Ninth Circuit in the present case carefully followed the methodology of this Court. The Ninth Circuit examined the factual background relative to the patent in question and then came to the conclusion that the claims simply do not meet the nonobviousness standard of patentable invention.

Conclusion

The Parker reissue patent is invalid for many reasons. The court of appeals, after twice having the case before it, finally disposed of it on the ground of obviousness and its decision is in complete accord with the decisions of this Court.

The petition for a writ of certiorari should be denied.

Respectfully submitted:

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